## Congress of the United States

Washington, DC 20515

October 27, 2008

The Honorable Kevin J. Martin, Chairman Federal Communications Commission 445 12<sup>th</sup> Street, SW Washington, D.C. 20554

Dear Chairman Martin:

We understand that the Commission plans to consider a new comprehensive proposal to reform the intercarrier compensation regime and universal service fund at the November 4 Agenda Meeting. According to news reports and staff briefings, the proposal makes sweeping changes to intercarrier compensation and universal service which in many instances will raise subscribers' telephone rates and hinder broadband deployment. Some have described the proposal as a broad restructuring of the telecommunications industry.

With so much at stake, we are concerned that the Commission has not released the full proposal for public review and comment. The public deserves the opportunity to provide fully informed comments, and the Commission stands to gain by understanding the positions of all parties interested in its potentially sweeping decision. Only with a fully developed record on the proposal currently under consideration can the Commission make an educated decision that truly serves the public interest. Therefore, we urge the Commission to put the full proposal on record and seek public comment for a period of at least two months.

We understand that many individual components of the comprehensive proceeding have been considered and commented upon by interested parties. However, the full proposal currently under consideration has been made available only to the Chairman, the Commissioners and their advisors. No party has had an opportunity to review and comment publicly on the full proposal, which is completely novel in its current form.

In addition, Congress has before it a proposal for comprehensive universal service reform and is poised to enact legislation in the next Congress. While we share the Commission's interest in making much needed changes to the universal service fund, elected and accountable representatives in Congress should properly design the reform. With appropriate legislation, the Commission will be equipped with the tools and guidance necessary to adopt regulations pursuant to the statutory reform that best serve the public interest.

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We recognize that the Commission must justify its intercarrier compensation rules for ISP-bound traffic by November 5 pursuant to D.C. Circuit Court remand and expect the Commission to take action on that specific matter on November 4. In addition, we encourage the Commission to take action on specific, related intercarrier compensation problems such as phantom traffic and traffic pumping, upon which the public has had ample time and opportunity to comment. Since the proposal now being considered by the Commission is far more comprehensive than these more narrow objectives, it is essential that you place the proposal before the public for review and comment before acting.

Thanking you for your time and attention to this matter, we remain

Sincerely,

Rick Houcher

Member of Congress

Lee Terry

Member of Congress

Bart Gordon

Member of Congress

Ralph Hall

Member of Congress

Bart Stupak

Member of Congress

Nathan Deal

Member of Congress

Tammy Baldwin

Member of Congress

Greg Walden

Member of Congress

Im Mathagan

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Sue Myrick

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John Barrow Member of Congress

Rodney Alexander

Member of Congress

Michael Arcuri Member of Congress

John Boozman
Member of Congress

Marion Berry Member of Congress

Steve Chabot Member of Congress

Leonard L. Boswell Member of Congress

Howard Coble Member of Congress

Bruce L. Braley Member of Congress Ann Emerson Member of Congress

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Christopher P. Carney Member of Congress

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Lincoln Davis Member of Congress Louie Gohmert Member of Congress

Steve Kagen

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Lloyd Deggett Walter Jones Member of Congress Member of Congress Bob Etheridge Steve King Member of Congress Member of Congress Phil Hare Ray LaHood Member of Congress Member of Congress Maurice Hinchey Tom Latham Member of Congress Member of Congress Dave Loebsack Ruben Hinojosa Member of Congress Member of Congress McHenry Patrick McHenry Tim Holden Member of Congress Member of Congress

Cathy McMorris Rodgers

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Ron Kind Member of Congress

Thomas E. Petri Member of Congress

Mike McIntyre
Mike McIntyre
Member of Congress

Jon Porter Member of Congress

James L. Oberstar Member of Congress

Dennis R. Rehberg Member of Congress

Collin C. Peterson Member of Congress Harold Rogers Member of Congress

Adam Smith Member of Congress

Jean Schmidt Member of Congress

Vic Snyder

Member of Congress

Adrian Smith Member of Congress

Zack Space

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Lamar S. Smith

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Jeff Rortenberry Member of Congress John McHugh Member of Congress

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Commissioner Michael J. Copps cc: Commissioner Jonathan S. Adelstein Commissioner Deborah Taylor Tate Commissioner Robert M. McDowell